

NEWS

The Palm celebrates 70th year

by Suzanne Kaplan

NEW YORK — The Palm in its 70th year, like many of its customers, has earned the right to loosen its belt, sit back and make a fat cigar.

But, like its old-fashioned, celebrity patrons, the famed restaurant is more likely sharpening its knives for the next carving — be it a steak or a new market. "The first 65 years we just ran the business the way we always did," said Bruce Buzi, grandson of founder Pat Buzi. "The last five years we've expanded our philosophy to try and get outside the four walls."

Influencing fresh blood into the family-run business are Buzi's son, Bruce Jr., and his son-in-law, Fred Thimau. Thimau, who started working

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with him and calling a new generation of loyal Palm fans. "We thought we could be a success only in major urban areas," Buzi said, "but the public has changed. It used to be people would come into the chain to eat. Now they work

with shorter than the square, cloth-covered tables that jostle the narrow dining room, said he is comfortable shaking up tradition. He said in 1965 all other steak houses on the block enforced a jacket-and-tie dress code. The sixth-generation Walter Grossi, grandson of co-founder John Gatti, abolished dress restrictions to appeal to a younger crowd. "We always want to build customers in the next generation," he explained.

Nevertheless, maintaining a close relationship with existing customers, many of whom are grounded in tradition, is equally important. Buzi and Gatti have kept a personal feel about the restaurants as they've grown, and that has helped them retain both customers and staff.

Thimau said The Palm has one of the lowest turnover rates in the industry, with 42 percent of management promoted from within. He added that the company recently held a retirement party for two workers and one general manager, all of whom had been with the company for more than 30 years.

That dedication has enabled The Palm to achieve sales figures above the segment average. According to management, Palms gross about \$4 million annually, ex-

cept for the Las Vegas unit, which is the most profitable store in the chain, with \$7 million in sales.

The \$70 million company employs 649 people — a large stretch from the single-unit operation that made a name for itself as a steak house by catering to local journalists



Marking the 70th anniversary of the original Palm restaurant are, from left, Bruce Buzi Jr., Maryann Buzi, Palm chef operating officer Fred Thimau, Mark Gatti and third-generation co-owner Bruce Buzi. In the background are caricatures of 70-year-old celebrities.

at the East Hampton, N.Y. Palm as a waiter, said he fell in love with the restaurant as well as with Buzi's daughter. He was appointed chief operating officer of Palm Management Corp. in 1980 and is responsible for a heightened expansion, push and modernization of the company's operating systems.

With the steak segment booming and with Ruth's Chris and Morton's flourishing across the country faster than stampeding deer, The Palm needed to step into the 20th century if it expected to celebrate many more anniversaries, Buzi said.

"The last thing that's happened to us," he said, "is (Morton's and Ruth's Chris) have forced us to pay more attention to how we operate."

While The Palm was one of the first upscale steak-and-seafood restaurants to expand, opening a restaurant in Washington in 1972, it has continued to grow at a pace far slower than those of its competitors. Buzi said the family nature of the business and their refusal to franchise have contributed to an opening schedule of about one restaurant every two years. The chain now has 15 units.

However, Thimau said he hopes to accelerate growth by expanding into suburban ar-



Winners of the "Greatest Moments Made at The Palm" contest, who were selected from more than 400 entries, were, from left, Bob and Ann Greenberg, Bethesda, Md.; Cathy O'Donnell, Las Vegas; Theresa Powers, Dallas; and Steve Harris, Dallas.

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